

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
FEED INSPECTION ADVISORY BOARD MEETING**

**June 19, 2003  
Sacramento, California**

**MINUTES**

The meeting was called to order with the following individuals present:

**BOARD MEMBERS**

Thomas Geary  
John Walth  
Gordon Johnson  
Ray Kelly  
Fred Frost  
Richard Krengel  
Jon Tollenaar

**CDFA**

Steve Mauch  
Stephen Beam  
Sandra Newell  
Mark Lee  
Michael Davidson  
Kent Kitade  
Laurie Shortridge  
Ken Thomazin, AHFS  
Birgit Puschner, AHFSL

**GUESTS**

Kevin Clutter, CGFA  
Rich Matteis, CGFA  
Don Franco  
Bill Adams, Imperial Western  
Products  
Michael Koewler, Sacramento  
Rendering

The meeting was called to order at 10:00 am. Chairman Tom Geary welcomed everyone to the meeting and self-introductions were made. Board Member Rob Gilbert was not present at the meeting.

**ANNOUNCEMENTS**

Acting Program Supervisor Stephen Beam thanked everyone for coming then addressed the vacancies of the Agricultural Commodities and Regulatory Services Branch. He announced for those who did not already know that Steve Wong was retiring at the end of July, but that he was now on vacation until that time. Stephen Beam and Grain & Commodity Program Supervisor Sandra Newell are carrying out the Branch Chief duties until a new Branch Chief is appointed to the position. Division Director Steve Mauch addressed the process for filling that position. A hiring freeze exemption request has been submitted for the position and we will have to wait for approval from the Department of Finance before we announce the job vacancy for 30 days, and then begin the interviewing process.

Stephen Beam announced that there are two vacant positions for Special Investigators. Steve Mauch has written and submitted a request for a hiring freeze exemption. It is hoped that the importance of these positions in the protection of California from an occurrence of mad cow disease, or BSE, will help to secure approval to fill the vacancies. There has been some interest shown in interviewing for the position and the hope is that the positions can be filled during this fiscal year.

Stephen Beam reminded the Board about the vacancy left by Mel Coelho. He said suggestions were needed for someone to appoint to the vacant Board position. Kevin Clutter, of the California Grain and Feed Association (CGFA), said that the Board vacancy would be announced in the next CGFA newsletter.

There was a Notice to Industry sent out in March regarding the use of feed medicated with Monensin, an antibacterial drug, in lactating dairy cows. There was also an article in the California Dairy Review addressing the unapproved use of this drug in lactating rations.

### **MINUTES**

Tom Geary asked the Feed Inspection Advisory Board (FIAB) members to review the minutes of the February 13, 2003 meeting. **A motion was made and seconded (Kelly / Walth) to accept the minutes as prepared. Motion passed unanimously.**

### **CANADIAN BSE UPDATE**

Dr. Ken Thomazin, of the Animal Health Branch, spoke about the BSE incident in Canada. Canadian officials confirmed in mid-May that the suspect cow did have BSE, and made an official announcement regarding their findings on May 20. There were numerous bulls traced to the United States from the same herd: twelve went to South Dakota, five went to Montana, three went to Nebraska, two went to Texas, and one went to Wyoming. There has been confirmation that all bulls have been found and destroyed with maybe the exception of the bull in Wyoming. From the 18 contact farms involved in this case, there have been 1500 animals slaughtered, all have been tested and no evidence of BSE has been found. However, the Canadian border will remain closed for livestock, meat, meat products, and feed indefinitely.

Dr. Thomazin talked about the various transmissible spongiform encephalopathy diseases. He described the physiology of BSE and also shared information that he and Dr. Edmondson had learned regarding BSE from their trip to the United Kingdom. He also addressed USDA's response to the BSE situation and California's activities with regards to BSE. Dr. Thomazin stated there were 1,000 brains tested for BSE in 2002 and that there will be 1,100 brains tested in 2003. The specimens are from downer cows and also random selections.

### **CDFA RESTRICTED ANIMAL PROTEIN INSPECTION ACTIVITY**

Stephen Beam addressed the Department's Feed Inspection Program's activities. The program addresses the ruminant feed ban through routine feed inspection and surveillance; formal BSE inspections including those conducted for the US FDA; sampling of feeds; Voluntary Quality Assurance Program inspections by a team of inspectors that covers BSE compliance issues; and by providing educational material to industry at each inspection. This fiscal year the program will do at least 200 BSE inspections at feed mills, renderers, transporters, and ruminant feeders (dairies).

Steve Mauch spoke about a meeting that he attended earlier today, along with Ray Kelly, Kevin Clutter, Don Franco, and Mike Koewler, with Secretary Bill Lyons regarding the BSE threat and what CDFA is doing to prevent it here. They discussed the need for an evaluation panel to review our program, how many members would be on it, and who they should represent. It was recommended that two or three members of the Feed Inspection Advisory Board should be on the panel.

Stephen Beam asked for a recommendation from the Board as to which members should serve on the new CDFA Program Evaluation Panel. Three board members were suggested to serve on the panel: Tom Geary, Jon Tollenaar, and Ray Kelly. A motion was made that these three members be recommended to the Secretary for the panel. **Motion was made and seconded (Johnson / Frost).**

There was discussion about the testing turnaround time for BSE. Ray Kelly provided the Board with copies of the regional BSE surveillance goals proposed by the USDA.

### **FUND CONDITION**

Gordon Johnson led discussion of the proposed 2003/04 budget by reviewing the historical graph of the Feed Program revenue for 1995/96 to the present, and projected to 2005/06. He also provided an overview of the percentage of expenses for 1997/98 and projected to 2005/06, with a comparison to the Department's target of reserve monies. Gordon provided an analysis of the proposed 2003/04 budget compared to the approved budget for the prior year.

This year's budget is 2.3% over last year's budget. This includes the purchase of an additional truck for the SAFE program, and partial funding if two vacant positions are filled. The reserves are continuing to go down, as was intended with the reduction in tonnage tax. If the entire budget for the new fiscal year is expended, there will still be approximately \$110,000 over the required reserve. In 2004/05 fiscal year, if there are no changes to the estimated tonnage and the expenditures stay the same, there will be a need to raise the tonnage tax from eight cents to nine cents.

Gordon reviewed the following motion to the board. The amount of \$1,911,159 is the total program budget, if reimbursements of \$113,984 are not realized. Since reimbursements are never certain, the Department would still need approval to spend \$1,911,159. The amount of \$1,797,175 is the net program budget, after expected reimbursements come in, which is a 2.3 percent increase in the net program budget over last year.

**The motion was made and seconded (Johnson/Walth) to approve the proposed total budget of \$1,911,159 with a net of \$1,797,175, as presented, and recommended the budget be forwarded to the Secretary for approval. Motion passed.**

### **FEED REGULATIONS UPDATE**

Mike Davidson addressed the Board on all the new proposed feed regulations.

The requirement for Selenium Premix record keeping, Section 2676(c), was revised to require daily inventory records on the premixes that contain more than 600 parts per million (ppm). Current regulation states 600 ppm or more. The change was requested by premix manufacturers, and would make our regulation consistent with federal regulations regarding selenium premixes. **Motion (Walth/Frost) to accept the regulation change was passed.**

Section 2681, adopting the federal regulations Title 21, CFR 589.200, for animal proteins prohibited in ruminant feed was revised for clarification. **Motion (Kelly/Frost) to accept the regulation change was passed.**

Section 2735, Supplemental Cottonseed Product Controls, was revised to specify each lot or all forms of transportation would require a Certificate of Movement of Cottonseed Products, with a revision date of 5/97. Accepting the state of origin requirements was deleted because states other than Arizona have no aflatoxin testing requirements.

Under Section 2735(a)(2), the name of the testing laboratory and the report number representing the lot would be required. Under 2735(a)(3) a label, with a guaranteed analysis that complies with Section 2694, shall accompany all shipments of whole cottonseed (added for clarification). Under Section 2735(d), all the language concerning official samples and analysis of whole cottonseed was stricken because it is not consistent with Section 15080 in the Commercial Feed Law. **Motion (Kringle/Walth) to accept regulation change was passed.**

Regulations to define Prime Whole Cottonseed, Whole Cottonseed, and Damaged Whole Cottonseed were presented to the Board. Stephen Beam presented preliminary data to the Board on levels of free fatty acids in cottonseed of varying visual quality collected by field staff. Although standard deviations were too large to make conclusions at this time, there was a trend for higher levels of both free fatty acids and mold counts in whole cottonseed visually categorized as damaged by field inspectors. A letter from Western United Dairymen asking the Department to establish quality standards for whole cottonseed was provided to the Board. **After much discussion, the Board made a motion (Kringle/Frost) that ACRS proceed with developing definitions for whole cottonseed products, and that the Department gather and review comments from industry. Motion passed.**

An additional letter from Western United Dairymen requesting that quality guidelines be established for Dried Distillers Grains was shared with the Board. Including specifications for crude protein and crude fat for Distillers Dried Grains and Distillers Dried Grain with Solubles was discussed. **After discussion, a motion was made (Walth/Johnson) to consider and establish definitions with quality guidelines for Distillers Dried Grains and Distillers Dried Grains with Solubles. Motion passed.**

### **LEGISLATIVE UPDATE**

Rich Matteis addressed the Board on the status AB 329, the bill to authorize a portion of the feed tonnage tax to be used for research and education on the safe manufacture and use of commercial feed, i.e., the SAFE Program. He also gave an update on the status of SB 506 which would require feed manufacturers to report antibiotic usage and tons of medicated feed sold in the state.

### **FEED SAFETY AND EDUCATION UPDATE**

Mike Davidson informed the Board of the Feed Safety Committee meeting, held on June 5 in Fresno. The committee evaluated the BSE activities of the Branch. BSE Inspections will be increased for fiscal year 2003/04. Inspections will be done on all firms that mix feed and he hopes the number of voluntary Feed Quality Assurance inspections can be increased.

There will be a feed safety workshop on September 30, 2003 at the Stanislaus County Agricultural Center in Modesto for on-farm feed mixers and the industry.

### **LABORATORY UPDATE**

Dr. Mark Lee reported that he received an urgent e-mail from the AAFCO Laboratory Methods and Services Committee regarding the adoption of criteria for accreditation of labs performing food microbiology and chemical analysis for food and feed, and pharmaceutical testing. If these criteria are adopted, paperwork and costs will increase.

### **OTHER ITEMS**

The next board meeting is scheduled for 10:00 a.m., October 16, 2003, in Sacramento.  
**Motion was made to adjourn (Kelly/Johnson).** Meeting adjourned at 12:55 pm.

Respectfully Submitted,

Dr. Stephen W. Beam, Acting Branch Chief  
Agricultural Commodities and Regulatory Services  
Inspection Services

BEAM/ds